



DOUGLAS A. DUCEY  
GOVERNOR

STATE OF ARIZONA  
OFFICE OF THE GOVERNOR

EXECUTIVE OFFICE

May 16, 2018

The Honorable Michele Reagan  
Secretary of State  
1700 W. Washington, 7<sup>th</sup> Floor  
Phoenix, AZ 85007

Dear Secretary Reagan:

I am transmitting to you the following bills from the Fifty-third Legislature, 2<sup>nd</sup> Regular Session, which I signed on May 16, 2018:

- HB 2088 pupils; concussions; parental notification (Carter)
- HB 2197 health professionals; workforce data (Carter)
- HB 2209 internet protocol; corporation commission (Grantham)
- HB 2212 firearm possession; peace officers; definition (Thorpe)
- HB 2235 dental therapy; regulation; licensure (Thorpe)
- HB 2253 schools; exchange teachers; employment duration (Carter)
- HB 2307 scrap vehicles; sales (Campbell)
- HB 2310 underground storage tanks; reimbursement claims (Bowers)
- HB 2324 community health workers; voluntary certification (Carter)
- HB 2356 juvenile court; jurisdiction; age (Bowers)
- HB 2383 HOV lanes; emergency vehicles (Clodfelter)
- HB 2384 unlawful flight; vehicle impoundment (Clodfelter)
- HB 2414 state employee health plan; incentives (Kern)
- HB 2416 appropriation; study; prime contracting classification (Cobb)
- HB 2422 personal delivery devices (Townsend)
- HB 2455 commercial vehicles definition; driver licenses (Cook)
- HB 2510 auto dealers; task force; fund (John)

HB 2520 schools; reading requirement (Coleman)  
HB 2522 traffic violations; penalties (Syms)  
HB 2526 career technical education districts (Clodfelter)  
HB 2527 ticket surcharge; public safety equipment (Clodfelter)  
HB 2529 assisted living; referrals; disclosure (Campbell)  
HB 2532 occupational regulation; municipalities; counties; hearings (Payne)  
HB 2534 teachers; certification requirements (Carter)  
HB 2538 U.S. House vacancy; special election (Coleman)  
HB 2564 court fees; EORP; state contribution (Livingston)  
HB 2589 department of gaming omnibus (Cook)  
HB 2596 property taxes; procedures; abatement (Toma)  
HB 2648 ballot measures; paid circulator definition (Leach)  
HB 2649 public meetings; recordings; posting; definition (Grantham)  
HB 2650 commercial license; defensive driving school (Toma)  
HB 2651 landlord tenant; security deposits (Toma)  
HB 2652 electric bicycles; definition; use (Allen, J.)  
HB 2653 expenditure limitation; waiver of penalties (Cobb)  
HB 2654 illegal substances education; partnership (Thorpe)  
HB 2655 real estate licenses; online classes (Mosley)  
HB 2656 electronic wills and trusts (Leach)  
HB 2657 interscholastic activities; health dangers; information (Carter)  
SB 1039 appropriation; Arizona water protection fund (Griffin)  
SB 1140 certificates of authority; video service (Griffin)  
SB 1167 merit council; law enforcement qualifications (Griffin)  
SB 1181 corporation commission; railway safety inspectors (Griffin)  
SB 1245 appropriation; SNAP; benefit match; produce (Brophy McGee)  
SB 1254 school district consolidation (Allen, S.)  
SB 1271 construction liability; apportionment; study (Fann)  
SB 1273 administrative proceedings; rules; contested cases (Petersen)  
SB 1293 department of revenue; administrative efficiency (Farnsworth, D.)  
SB 1296 government communications; emergency response interpreters (Bowie)  
SB 1398 unemployment; return-to-work program; suitable work (Smith)  
SB 1409 TPT; prime contracting; alteration; replacement (Fann)  
SB 1476 county sheriff; reentry planning; appropriation (Gray)  
SB 1478 employer contributions; EORP (Fann)  
SB 1496 prisoners; drug sentences; out-of-custody treatment (Smith)  
SB 1498 AZPOST; membership; training; AMBER alert (Smith)

SB 1504 developmental disability rates; appropriation (Smith)

Sincerely,

A handwritten signature in black ink that reads "Douglas A. Ducey". The signature is written in a cursive style with a large, prominent initial 'D'.

Douglas A. Ducey

Governor

State of Arizona

cc: Senate Secretary  
Chief Clerk of the House of Representatives  
Arizona News Service

Senate Engrossed House Bill

**FILED**

**MICHELE REAGAN**

**SECRETARY OF STATE**

State of Arizona  
House of Representatives  
Fifty-third Legislature  
Second Regular Session  
2018

**CHAPTER 299**  
**HOUSE BILL 2310**

AN ACT

AMENDING SECTION 49-1006.02, ARIZONA REVISED STATUTES; AMENDING LAWS 2015,  
CHAPTER 247, SECTION 25; RELATING TO UNDERGROUND STORAGE TANKS.

(TEXT OF BILL BEGINS ON NEXT PAGE)

1 Be it enacted by the Legislature of the State of Arizona:

2 Section 1. Section 49-1006.02, Arizona Revised Statutes, is amended  
3 to read:

4 49-1006.02. Insurance primacy; requirements; fund access

5 A. For owners or operators that satisfy financial responsibility  
6 requirements through insurance, the following apply:

7 1. The policy that covers the underground storage tank system at  
8 the time the release is discovered shall be primary to eligibility under  
9 sections 49-1017 and 49-1054.

10 2. The owner or operator is not required to exhaust insurance  
11 coverage in order to be eligible under sections 49-1017 and 49-1054.

12 3. EXCEPT AS PROVIDED IN SUBSECTION C OF THIS SECTION, eligibility  
13 under sections 49-1017 and 49-1054 is contingent on filing a timely  
14 insurance claim under the policy and pursuing that claim until a denial is  
15 received or, after assistance from the department as prescribed in section  
16 49-1006.01, subsection D, until the department determines that the claim  
17 has been constructively denied.

18 4. An owner or operator that fails to pursue an insurance claim is  
19 no longer eligible under sections 49-1017 and 49-1054.

20 B. An owner or operator that satisfies financial responsibility  
21 requirements through insurance and that will not receive payment from its  
22 insurance provider until after the expenditure of at least fifty thousand  
23 dollars per facility as provided in an insurance policy that is in effect  
24 on April 1, 2015 or that satisfies financial responsibility requirements  
25 through an alternative financial responsibility mechanism is eligible  
26 under sections 49-1017 and 49-1054 after meeting a cost sharing obligation  
27 by payment of the first fifty thousand dollars per facility for work that  
28 is conducted on or after January 1, 2016. This eligibility is subject to  
29 the limits prescribed in section 49-1054, subsection A and is subject to  
30 the preapproval process prescribed in section 49-1051. EXCEPT AS PROVIDED  
31 IN SUBSECTION C OF THIS SECTION, eligibility pursuant to this subsection  
32 for owners or operators that meet financial responsibility requirements  
33 through insurance is contingent on providing timely notice of the release  
34 to the insurance carrier under the policy and that eligibility ends on the  
35 date that the insurer is obligated to provide payment under the policy.

36 C. AN OWNER OR OPERATOR THAT SATISFIES FINANCIAL RESPONSIBILITY  
37 REQUIREMENTS THROUGH INSURANCE AND THAT HAD A RELEASE REPORTED BETWEEN  
38 JULY 1, 2006 AND DECEMBER 31, 2015, THAT REQUIRES ADDITIONAL CORRECTIVE  
39 ACTION IS ELIGIBLE UNDER SECTIONS 49-1017 AND 49-1054 SUBJECT TO THE  
40 PREAPPROVAL PROCESS PRESCRIBED IN SECTION 49-1051 WITHOUT FILING A TIMELY  
41 CLAIM AGAINST ITS INSURANCE CARRIER IF THE OWNER OR OPERATOR WAS IN  
42 COMPLIANCE WITH FINANCIAL RESPONSIBILITY REQUIREMENTS AT THE TIME OF THE  
43 RELEASE. THE MAXIMUM AMOUNT ELIGIBLE FOR REIMBURSEMENT UNDER THIS  
44 SUBSECTION IS FIVE HUNDRED THOUSAND DOLLARS PER FACILITY AFTER MEETING A  
45 COST SHARING OBLIGATION BY PAYMENT OF THE FIRST FIFTY THOUSAND DOLLARS PER

1 FACILITY FOR WORK CONDUCTED ON OR AFTER JANUARY 1, 2016 AND WITHOUT ANY  
2 REDUCTIONS FOR PAYMENTS MADE PURSUANT TO LAWS 2015, CHAPTER 247, SECTION  
3 25, AS AMENDED BY SECTION 2 OF THIS ACT.

4 Sec. 2. Laws 2015, chapter 247, section 25 is amended to read:

5 Sec. 25. Previously time-barred underground storage tank  
6 revolving fund claims; requirements; limitations;  
7 appeals

8 Notwithstanding any other law:

9 1. For releases of a regulated substance that were properly  
10 reported before July 1, 2006:

11 (a) Costs for corrective action are eligible for reimbursement up  
12 to five hundred thousand dollars per facility for an applicant who  
13 satisfies federal financial responsibility obligations prescribed in 40  
14 code of federal regulations part 280 through a financial assurance  
15 mechanism other than insurance and one million dollars per facility for an  
16 applicant who satisfies federal financial responsibility obligations  
17 through insurance, without regard to the number of releases at the  
18 facility AND WITHOUT ANY REDUCTIONS FOR PAYMENTS MADE PURSUANT TO THE  
19 PREAPPROVAL PROGRAM PRESCRIBED BY SECTIONS 49-1051 AND 49-1053, ARIZONA  
20 REVISED STATUTES.

21 (b) If reimbursement eligibility for a facility was exhausted  
22 through claims submitted on or before June 30, 2010 as a result of payment  
23 or eligibility limits in place on that date, that facility is not eligible  
24 for any additional reimbursement under this section.

25 (c) If claims for reimbursement at a facility were made on or  
26 before June 30, 2010, the total amount of payment on those claims shall  
27 reduce eligibility for reimbursement under this section by the amount paid  
28 on the claims.

29 2. For releases of a regulated substance that were properly  
30 reported on or after July 1, 2006, but before January 1, 2016, costs for  
31 corrective actions are eligible for reimbursement up to five hundred  
32 thousand dollars per facility for an applicant who satisfies federal  
33 financial responsibility obligations prescribed in 40 code of federal  
34 regulations part 280 through a financial assurance mechanisms other than  
35 insurance and one million dollars per facility for an applicant who  
36 satisfies federal financial responsibility obligations through insurance,  
37 without regard to the number of releases at the facility.

38 3. The department of environmental quality is not required to take  
39 any action on an application for reimbursement until January 1, 2017.

40 4. The department of environmental quality shall pay all  
41 compensable claims for corrective action costs arising from releases that  
42 were reported before July 1, 2006 and that are submitted on or before  
43 December 31, 2016, before paying any claims under this section for  
44 corrective action costs arising from releases reported on or after July 1,

1 2006. Claims submitted pursuant to this section are compensable only for  
2 costs incurred after June 30, 2010.

3 5. Subject to paragraph 4 of this section, the department of  
4 environmental quality shall pay all compensable claims submitted by  
5 December 31, 2016 in equal proportion based on the amount of the claim,  
6 without regard to who the applicant is or the time that the claim is  
7 submitted, if the claim is timely submitted. The department of  
8 environmental quality shall determine the percentage of each claim to be  
9 paid based on the monies available in the underground storage tank  
10 revolving fund established by section 49-1015, Arizona Revised Statutes.

11 6. Only claims that are approved by the department of environmental  
12 quality are eligible for payment under this section. The department shall  
13 reimburse costs that are reasonable and were actually incurred for  
14 corrective actions that were actually performed. The costs for the  
15 corrective actions shall be documented in an application by the facility  
16 for payment from the underground storage tank revolving fund that shall be  
17 submitted by December 31, 2016, EXCEPT THAT CLAIMS SUBMITTED PURSUANT TO  
18 PARAGRAPH 9 OF THIS SECTION SHALL BE SUBMITTED BY DECEMBER 31, 2018. The  
19 department shall provide reimbursement for ninety percent of the  
20 reasonable and necessary costs of eligible activities pursuant to this  
21 section. Applications for reimbursement shall include a declaration that  
22 is signed by the owner or operator and that affirms that the submitted  
23 costs are true and accurate, have not previously been submitted to the  
24 department and have not been reimbursed to the owner or operator by  
25 insurance or an alternative financial assurance mechanism. A provider of  
26 insurance or an alternative financial assurance mechanism that is not an  
27 owner or operator with respect to that facility is not eligible for  
28 payment under this section.

29 7. The department of environmental quality shall determine the  
30 amount of monies in the underground storage tank revolving fund prescribed  
31 by section 49-1015, Arizona Revised Statutes, as ~~added~~ AMENDED by ~~this act~~  
32 LAWS 2016, CHAPTER 120, SECTION 2, on December 31, 2016 that is available  
33 to pay claims under this section. The department is not required to  
34 evaluate available monies from the fund and issue payments more than once  
35 per year thereafter.

36 8. An owner or operator is not eligible to receive payment from the  
37 department of environmental quality unless the owner or operator is in  
38 compliance with the financial responsibility obligations under 40 code of  
39 federal regulations part 280.

40 9. NOTWITHSTANDING PARAGRAPH 8 OF THIS SECTION, FOR RELEASES OF A  
41 REGULATED SUBSTANCE THAT WERE PROPERLY REPORTED AND CONFIRMED BEFORE  
42 FINANCIAL RESPONSIBILITY WAS REQUIRED BY 40 CODE OF FEDERAL REGULATIONS  
43 PART 280:

44 (a) COSTS FOR CORRECTIVE ACTIONS THAT WERE CONDUCTED BETWEEN JULY  
45 1, 2010 AND DECEMBER 31, 2016 ARE ELIGIBLE FOR REIMBURSEMENT OF UP TO ONE

1 MILLION DOLLARS PER FACILITY, WITHOUT REGARD TO THE NUMBER OF RELEASES AT  
2 THE FACILITY AND WITHOUT ANY REDUCTIONS FOR PAYMENTS MADE PURSUANT TO THE  
3 PREAPPROVAL PROGRAM PRESCRIBED BY SECTIONS 49-1051 AND 49-1053, ARIZONA  
4 REVISED STATUTES.

5 (b) IF PREVIOUS REIMBURSEMENT FOR A FACILITY EXCEEDS ONE MILLION  
6 DOLLARS FOR CLAIMS SUBMITTED ON OR BEFORE DECEMBER 31, 2016, THAT FACILITY  
7 IS NOT ELIGIBLE FOR ANY ADDITIONAL REIMBURSEMENT UNDER THIS PARAGRAPH.

8 (c) IF CLAIMS FOR REIMBURSEMENT AT A FACILITY WERE MADE PURSUANT TO  
9 THIS SECTION ON OR BEFORE DECEMBER 31, 2016 AND WERE PREVIOUSLY  
10 REIMBURSED, THE TOTAL AMOUNT OF PAYMENT ON THOSE CLAIMS SHALL REDUCE  
11 ELIGIBILITY FOR REIMBURSEMENT UNDER THIS PARAGRAPH BY THE AMOUNT PAID ON  
12 THE CLAIMS.

13 (d) THE COSTS FOR THE CORRECTIVE ACTIONS SHALL BE DOCUMENTED IN AN  
14 APPLICATION BY THE FACILITY FOR PAYMENT FROM THE UNDERGROUND STORAGE TANK  
15 REVOLVING FUND ESTABLISHED BY SECTION 49-1015, ARIZONA REVISED STATUTES,  
16 THAT SHALL BE SUBMITTED BY DECEMBER 31, 2018.

17 (e) PARAGRAPHS 5, 6, 7 AND 10 OF THIS SECTION APPLY TO ANY CLAIMS  
18 FOR REIMBURSEMENT PRESCRIBED BY THIS PARAGRAPH.

19 ~~9.~~ 10. Any appeals of reimbursement decisions made under this  
20 section are subject to title 41, chapter 6, article 10, Arizona Revised  
21 Statutes.

**APPROVED BY THE GOVERNOR MAY 16, 2018**

**FILED IN THE OFFICE OF THE SECRETARY OF STATE MAY 16, 2018**

Passed the House February 12, 20 18

Passed the Senate April 9, 20 18

by the following vote: 56 Ayes,

by the following vote: 17 Ayes,

2 Nays, 1 Not Voting  
1 vacant

11 Nays, 2 Not Voting

[Signature]  
Speaker of the House  
 Pro Tempore  
John Drake  
Chief Clerk of the House

[Signature]  
President of the Senate  
Susan Reeves  
Secretary of the Senate

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill received by the Governor this

\_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary to the Governor

Approved this \_\_\_\_\_ day of

\_\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Governor of Arizona

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill received by the Secretary of State

this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_

at \_\_\_\_\_ o'clock \_\_\_\_\_ M.

\_\_\_\_\_  
Secretary of State

H.B. 2310

HOUSE CONCURS IN SENATE  
AMENDMENTS AND FINAL PASSAGE

April 30, 2018,

by the following vote: 37 Ayes,

20 Nays, 3 Not Voting

[Signature]  
Speaker of the House  
[Signature]  
Chief Clerk of the House

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF GOVERNOR

This Bill was received by the Governor this

18 day of May, 2018,

at 8:13 o'clock A M.

[Signature]  
Secretary to the Governor

Approved this 16<sup>th</sup> day of

May, 2018,

at 9:52 o'clock A M.

[Signature]  
Governor of Arizona

H.B. 2310

EXECUTIVE DEPARTMENT OF ARIZONA  
OFFICE OF SECRETARY OF STATE

This Bill was received by the Secretary of State  
this 16 day of May, 2018,

at 4:28 o'clock P. M.

[Signature]  
Secretary of State